set up by SEBI to review the take-overs regulations, inter-alia, relate to;

(i) definition of terms such as acquirer, persons acting in concert, control over the company, promoter etc.;

(ii) specific circumstances under which the regulations would be inapplicable;

(iii) consolidation of holdings by existing share holders;

(iv) creation of a graded escrow account;

(v) specific timeframe for various stage of take-overs;

(vi) system of filing instead of vetting of offer document by SEBI;

(vii) elaborate disclosure requirements; and

(viii) modifications in the post-take-over minimum shareholding to allow 100% acquisition by the acquirer.

(b) The SEBI Board has accepted the recommendations of the Committee with certain modifications.

(c) The new Regulations have been notified on 20.2.1997 and would take prospective effect. The question of reviewing past take-overs, therefore, does not arise.

Recommendations of Tenth Finance Commission Regarding Pooling of Tax Revenues

1085. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to State:

(a) whether any decision has been reached on the recommendation of the Tenth Finance Commission to bring to a common pool tax revenues accruing to the Centre and the States;

(b) whether the proposal is to be referred to the Inter-State Council; and

(c) whether before a final decision is taken, Government intends to seek the opinion of a group of fiscal and constitutional experts in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) The views of the Government in the matter have been articulated in Finance Minister's Budget Speech on 28-2-1997. The relevant extracts (Para 57) of the speech are reproduced below:—

"57. New Devolution Formula: I have already placed in the House a discussion paper on the recommendations of the Tenth Finance Commission (TFC) on the formula to be adopted for devolution of resources from the Centre to the States. The views of the States have been received. The Standing Committee of the Inter-State Council has also considered the matter. Based on the these consultations, I propose to accept the recommendation of the TFC to form a single, divisible pool of taxes to be shared between the Centre and the States. To begin with, we shall adopt the proportion of 29% recommended by the TFC. This will be an improvement on the present share of the States. However, we are willing to discuss the matter further when we bring the constitution Amendment Bill to give effect to the decision".

Recovery of Dues from Biggest Defaulter of SBI

1086. SHRI DIPANKAR MUKHERJEE:
SHRI NILOTPAL BASU:

Will the Minister of FINANCE be pleased to state:

(a) whether the biggest individual/corporate defaulter in the country owes Rs.812 crore for the year ended 31st March, 1995, to State Bank of India;

(b) whether a suit was filed by SBI for recovery of dues from this defaulter;

(c) the present status and action plan including attachement of property etc., to recover the dues from the defaulter;

(d) whether any time frame has been set to recover the dues; and

(e) if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) State Bank of India (SBI) have reported that arising out of payment which the bank was required to make to National Housing Bank (NHB)/ SBI Capital Markets Ltd. in respect of irregularities in securities dealing with a broker a total amount of Rs 812.08 crores has been debited to the banks protested bills.

(b) Yes, Sir.

(c) A preliminary hearing has taken place in The Special Court. All the known assets of